



Citywide Homeownership Program

PURPOSE

To assist first time homebuyers (haven't been a homeowner in the last three years) with the purchase of a home within the City limits of Raleigh

PROGRAM

To provide second mortgages to home buyers in Raleigh who are unable to meet down payment and/or closing costs requirements or have an excessive debt to income ratio.

SOURCE OF FUNDS

First Mortgage: Maximum for which applicant qualifies through participating private sector lending institution
(list available upon request)
Second Mortgage: City of Raleigh Housing Bond Funds

ELIGIBLE PROPERTIES

Single-family homes (including townhouses and condominiums)

MAXIMUM HOME PRICE \$170,000

REQUIREMENTS:

- Must be unable to purchase a home due to lack of down payment/closing costs or have an excessive debt to income ratio, which cannot exceed 43%
- Must not have had an ownership interest in a principal residence within the past three years
- Borrower must have at least one year of satisfactory credit
Rent payments and Student loans: no payments 30 days past due in the past year
Revolving Credit (lines of credit like credit cards): No payments 60 days or more past due and no more than 2 payments 30 days past due in the past year
Installment Credit (loans, car payments, mortgages, etc.) No payments 60 days or more past due and no more than 1 payment 30 days past due in the past year
- Borrower must live in the home as their primary residence
- Preference will be given to people who have lived and/or worked in the City limits of Raleigh for at least two years.
- All homebuyers must complete a homebuyer counseling course. For more information contact DHIC at 832-4345

MAXIMUM QUALIFYING INCOME*:

Total household income is calculated by adding all of the gross income for every person 18 years of age and older who will be living in the home. * maximum income amounts change each year, chart below is for 2009

number of people in the household	total household income	number of people in the household	total household income
1 person	\$43,050.00	5 people	\$66,400.00
2 people	\$49,200.00	6 people	\$71,350.00
3 people	\$55,350.00	7 people	\$76,250.00
4 people	\$61,500.00	8 people	\$81,200.00

MAXIMUM LOAN

First Mortgage: Maximum qualified for through a participating lender (list available upon request)
Second Mortgage: Up to \$20,000 based on need to complete home purchase
Note: First mortgage plus second mortgage cannot exceed 100% of the appraised value of the home

TERMS/RATE

First Mortgage: Monthly payment determined by lender for a 30 year mortgage at market rate.
Second Mortgage: 30 year mortgage at 0% interest for first five years then 4% interest thereafter
Payments are \$25/month years 1-5: (principal only payments); Years 6-30: monthly payments are principal and interest payments at 4% interest amortized over remaining 25 years

ADMINISTRATION

For more information, please call (919) 996-4330, TTY/TDD: (919) 890-3107.
A loan application can be obtained by contacting a participating lender. A list is available upon request.

